

LICENSE AGREEMENT
BETWEEN
MONTGOMERY COUNTY, MARYLAND
AND
PEOPLE ENCOURAGING PEOPLE, INC.

DATE: 3/27/09

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LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "License"), made this 22 day of March, 2009, by and between MONTGOMERY COUNTY, MARYLAND, a body corporate and politic and a political subdivision of the State of Maryland (the "County") and PEOPLE ENCOURAGING PEOPLE, INC. (the "Licensee"), (the County and the Licensee together the "Parties").

WITNESSETH:

WHEREAS, the County has a leasehold interest in the building located at 1301 Piccard Drive, Rockville, Maryland (the "Building"), and

WHEREAS, the County has agreed to provide office space, free of rent at the Building, for the Licensee to provide community-based mental health treatment for people with serous and persistent mental illness, in accordance with the Memo of Understanding dated November 6, 2008, attached hereto as Exhibit A ("MOU"); and

WHEREAS, the Licensee, as the Service Provider, has agreed to provide such services and the County agrees to enter into a license for office space located in the Building for this purpose.

In consideration of the covenants contained in this License, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties mutually agree as follows:

1. LICENSED PREMISES: The County does grant the Licensee the privilege and right to license space, which includes a shared conference room, a medical room and seven cubicles as designated on Exhibit B, attached hereto, in the Building located at 1301 Piccard Drive, Rockville, Maryland; (the "Licensed Premises"), for the Licensee to provide community-based mental health treatment for people with serious and persistent mental illness.

2. LICENSE TERM: In accordance with the MOU, the License Term shall commence on January 1, 2009 and shall continue for a period not to exceed eighteen (18) months, unless sooner terminated by the County. Notice of any early termination of this License shall be given by Licensee to the County as detailed in Paragraph 3, below.

3. EARLY TERMINATION: It is agreed between the Parties that this License may be terminated at any time during the License Term or any extension of the Licensed Term by the County giving, thirty (30) days written notice of the termination. The County is under no obligation to provide alternate space for Licensee and is not responsible for any moving costs or any expenses incurred by Licensee to relocate or move whether such move or relocation is the result of termination or any other reason.

4. LICENSE FEE: In consideration of services provided by the Licensee as set forth in the MOU, and for the rights and obligations provided for in this License, Licensee shall pay One Dollar (\$1.00) per year to the County. All payments are to be made in advance on the first day of the Term, during each license year, and shall be payable by check to: Montgomery County, Maryland, Department of General Services, Office of Real Estate, P. O. Box 9464, Gaithersburg, Maryland 20898-9464.

5. USE OF LICENSED PREMISES: In accordance with the attached MOU, Licensee covenants and agrees the Licensed Premises shall be used for providing community-based mental health treatment for people with serious and persistent mental illness (the "Permitted Use"). Licensee agrees to ensure compliance with all licensing and operational requirements regulating the use of the Licensed Premises therein described. Licensee shall be responsible for obtaining all licenses and certifications required by State, Federal, and County law to operate the program as defined in the MOU. Failure to obtain and maintain any certifications and licenses required under State, Federal, or Local law to operate the program as defined in the MOU will constitute a breach of this License. Licensee will use and occupy the Licensed Premises during the License Term for no purpose other than the use as specified in the MOU.

6. ASSIGNMENT: The Licensee shall not assign, transfer, mortgage or otherwise encumber this License or sublet or rent (or permit a third party to occupy or use) the Licensed Premises or any part of the Licensed Premises.

7. CONDITION OF LICENSED PREMISES: Licensee accepts the Licensed Premises in "as is" condition. Licensee agrees to maintain the Licensed Premises in good condition and free of clutter throughout the License Term. Licensee acknowledges and agrees that at the end of the License Term, the Licensed Premises shall be returned to the County in the same condition as they were when Licensee accepted the Licensed Premises, with reasonable wear and tear and damage due to casualty excepted.

8. ALTERATIONS AND IMPROVEMENTS: Licensee shall not undertake any alterations, changes or improvements to the Licensed.

9. LIENS: Licensee shall not do or suffer anything to be done whereby the Licensed Premises shall be encumbered by any lien, including mechanic's liens. Licensee expressly covenants and agrees that it will, during the term hereof, within sixty (60) days after the filing thereof, promptly remove or release, by the posting of a bond or otherwise, as required or permitted by law, any lien attached to or upon the Licensed Premises or any portion thereof by reason of or any act or omission on the part of Licensee, and hereby expressly agrees to save and hold harmless the Licensors from and against any such lien or claim of lien. In the event any such lien does attach, or any claim of lien is made against said Licensed Premises, and shall not be thus released within said sixty (60) day period, the County, in its sole discretion (but nothing herein contained shall be construed as requiring it so to do), may pay and discharge the said lien and relieve the said Licensed Premises from any such lien, and Licensee agrees to pay and reimburse the County upon demand for or on account of any expense which may be incurred by the County in discharging such lien or claim.

10. SERVICES AND OPERATING EXPENSES:

A. By County: Subject to annual appropriation by the County Council and except for work necessitated by reason of Licensee's negligent or wrongful act, the County agrees to provide within the Licensed Premises, at the County's sole cost and expense the following:

- i. All repair and maintenance in the Licensed Premises;
- ii. Repair, replacement and preventive maintenance of HVAC,

electrical and plumbing systems;

- iii. Major structural repairs;
- iv. Maintenance and repair to the exterior of the Licensed Premises including painting, roofing and gutters, including gutter cleaning;
- v. General maintenance, including but not limited to interior and exterior window cleaning, lawn maintenance including grass mowing; general grounds keeping including mulching, trimming of shrubbery and trees, but excluding flower bed maintenance, snow and ice removal from sidewalks and parking lots adjacent to the Licensed Premises, from parking areas and driveway; gutter cleaning; light bulb replacement; carpet cleaning and repair; and maintenance required for code compliance. All such services shall be provided and performed at the same level and manner as provided and performed for all Montgomery County serviced properties;
- vi. Utilities, including electric, gas, fuel oil and water;
- vii. Trash removal, recycling and pest control;
- viii. Telephone and computer services;
- ix. Interior custodial, janitorial and recycling services
- x. Fire extinguisher service and replacements as necessary; and
- xi. Interior painting as needed or as required by the County.

B. By Licensee: Licensee agrees to provide within the Licensed Premises, at Licensee's sole cost and expense, the following:

- i. Appliance replacement when, in County's sole judgment, replacement is necessary due to abuse, misuse, or negligence on the part of Licensee, its employees, patrons or agents. All appliances shall be approved by the County prior to their installation;
- ii. Licensee shall not proceed with or use any unusual or hazardous materials in the performance of these requirements without consent of the County; and

iii. Notwithstanding the obligations of the County regarding certain maintenance, Licensee will be responsible for damage to the structure, grounds or contents of the Licensed Premises due to the willful or negligent acts of Licensee, Licensee's employees, patrons, residents, or agents. In the event of such damage, the Licensee shall immediately make the necessary repairs or replacement to the satisfaction of the County, at Licensee's sole cost and expense or the County shall make such repairs or replacements for which Licensee shall promptly reimburse the County.

A summary of such repairs shall be transmitted quarterly to the Department of General Services, Office of Real Estate, 101 Monroe Street, 10th Floor, Rockville, Maryland 20850, Attention: Director of Real Estate.

11. FURNITURE, FIXTURES AND EQUIPMENT: At the termination of this License, Licensee must deliver to the County the Licensed Premises in good, clean condition, reasonable wear and tear excepted. All items which are attached to the Licensed Premises, or are a part of the Licensed Premises systems at the time the Licensed Premises is delivered to Licensee, shall remain with the Licensed Premises. Any personal property remaining within the Licensed Premises after termination of the License shall become property of the County. The County shall dispose of any such property in the manner it deems appropriate.

12. LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE:

A. Insurance Requirements:

i. Licensee agrees to obtain and maintain, during the full term of this License, and any extension thereof, a policy of general liability insurance with a minimum limit of liability of One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage including Contractual Liability, Premises and Operations, Independent Contractors, Personal Injury and fire liability issued by an insurance company licensed in the State of Maryland and acceptable to the County.

ii. Licensee agrees to obtain and maintain, during the full term of this License, and any extension thereof, a policy of workers' compensation and employers' liability meeting all statutory requirements of the State of Maryland with the following minimum Employers' Liability limits; *Bodily Injury by Accident - \$100,000 each accident*,

Bodily Injury by Disease - \$500,000 policy limits and Bodily Injury by Disease - \$100,000 each employee.

iii. The County does not provide any coverage for Licensee's owned contents and improvements to the Licensed Premises.

B. Additional Insured: The Licensee's Liability Policies must list Montgomery County, Maryland as an additional insured and all insurance policies obtained by the Licensee as required by this License Agreement must provide that the Licensee will give the County written notice of amendment, cancellation, termination or non-renewal, no later than forty-five (45) days prior to amendment, cancellation, termination or non-renewal. The Licensee must provide on an annual basis evidence that is satisfactory to the County of the insurance coverages required under this License Agreement and if requested copies of policies.

C. Certificate of Insurance: The Licensee must, within forty-five (45) days from execution of this License Agreement, deliver to the County a certificate(s) of insurance and copy of policies evidencing the coverages required under this License Agreement. The certificates must be issued to: Montgomery County, Maryland, Department of Public Works and Transportation, Office of Real Estate, 101 Monroe Street, 10th Floor, Rockville, Maryland 20850. Licensee has the obligation to assure that the County always has a valid Certificate of Insurance and complete copies of the policies.

D. Subrogation: If a casualty or other occurrence which should be covered by the insurance required by this License Agreement occurs, the Licensee must look solely to its insurer for reimbursement and the Licensee must ensure that such insurance is so written that the Licensee's insurer waives all rights of subrogation and shall have no cause of action against the County, its agents, or employees as a result of such casualty or occurrence. The Licensee waives and releases all right of recovery which it might otherwise have against the County or its agents or employees by reason of any loss or damage resulting from such casualty or other occurrence, to the extent that the Licensee would be covered by insurance if the Licensee complied with the requirements of this License Agreement pertaining to insurance.

E. County's Insurance: The County will maintain its normal fire and liability insurance on the Licensed Premises. The County reserves the right to self-insure.

13. HOLD HARMLESS: Licensee agrees to indemnify and hold harmless and pay for the defense of the County from any and all claims of liability, actions, damages and expenses, including, but not limited to, reasonable attorneys fees and litigation costs, arising out of or related to Licensee's use of possession of the premises, including but not limited to play fields and play areas, from any breach of this License by Licensee, or from any claim, action, damage, liability or expense occasioned wholly or in part by any negligent act, errors or omission of Licensee, its agents, contractors, guests or employees, except such negligence as may be occasioned by the acts or omissions of the County, the County's employees, agents and contractors. Licensee further specifically agrees to hold the County harmless and pay for the defense of the County from any claim of liability made in connection with any construction or installation of equipment by the Licensee within the Licensed Premises, notwithstanding that any such construction or equipment may or may not be deemed to be a part of the Leased Premises hereinabove described.

14. RESPONSIBILITIES OF LICENSEE: Licensee covenants and agrees as follows:

A. Licensee shall not keep gasoline or other flammable material or any explosive within the Licensed Premises which will increase the rate of fire insurance on the Licensed Premises beyond the ordinary risk established for the type of operations described in Paragraph 5, above. Any such increase in the insurance rate due to the above, or due to Licensee's operations within the Licensed Premises, shall be borne by Licensee. Licensee shall not willfully do any act or thing in or about the Licensed Premises which may make void or voidable any insurance on the Licensed Premises, and Licensee, upon receipt of the same in writing, agrees to conform to all rules and regulations established from time to time by the County, the Maryland Insurance Rating Bureau, or any other authority having jurisdiction over such matters.

B. Licensee shall not use or allow the Licensed Premises or any part thereof to be used for any illegal, unlawful or improper purpose or for any act or thing

that may be a nuisance, annoyance, inconvenience, or cause damage to the Licensed Premises, adjacent properties or the adjacent neighborhood.

C. Licensee shall not place upon the Licensed Premises any placard, sign, lettering or awning except such, and in such place and manner as shall have been first approved in writing by County.

D. Licensee acknowledges that all responsibilities of Licensee relating to the use or misuse of the Licensed Premises and anything therein shall be construed to include use or misuse thereof by Licensee's agents and employees, guests and invitees.

E. Licensee shall not have pets in or about the Licensed Premises. This provision does not limit Licensee or Licensee's clients' rights to have bona fide service animals on the Licensed Premises. Licensee is solely responsible for the proper care of service animals in the Licensed Premises and in keeping the Licensed Premises clean and free of debris and waste associated with the care and feeding of service animals.

F. Licensee, upon receipt of the same in writing shall comply with all reasonable rules and regulations with regard to the use of the Licensed Premises that may be from time to time promulgated by County, and any violation of said rules and regulations upon the expiration of any applicable notice and cure period shall be deemed to constitute a violation of this License. It is understood that such rules and regulations shall not unreasonably interfere with or prevent the intended uses of the demised premises as set forth in this License. County shall not discriminate against Licensee in the enforcement of any rule or regulation. If there shall be a conflict between this License and rules and regulations, the terms of this License shall govern.

G. Licensee must maintain in good condition, and promptly and diligently repair any damage to (or replace if reasonably necessary in the circumstances), any trade fixtures.

H. Licensee must require and assure that all entrance doors and windows in the Licensed Premises shall be closed and locked when the Licensed Premises are not in use. Further, Licensee before closing and leaving the Licensed Premises at any time must close all windows and doors and secure the Licensed

Premises. No additional locks or bolts of any kind shall be placed upon any of the entrance or interior doors or windows by Licensee nor shall any changes be made in existing locks or the mechanisms thereof without prior written approval of County and in the event of an approved change, shall provide County with keys to the facility. Licensee shall, upon the termination of its tenancy, restore to the County all keys of the building, offices, and bathrooms, either furnished to, or otherwise procured by, the Licensee, and in the event of the loss of any keys so furnished the Licensee shall pay to the County the cost thereof.

I. All occupants of the Licensed Premises shall be informed as to the safe and proper operation of all appliances and equipment in the Licensed Premises provided by the Licensee.

J. The Licensee is responsible for on site management of the Licensed Premises.

K. The Licensee must indemnify, defend and hold the County and the County's other tenants, licensees, agents and employees (together the "Indemnities") harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects' and attorney's fees, which may be imposed upon, incurred by, or asserted against any of the Indemnities and arising, directly or indirectly, out of or in connection with (i) The Licensee's breach of its obligations under this License; (ii) the acts or negligence of the Licensee, its agents, contractors, and employees in the premises or on the Licensed Premises; and (iii) the use or occupancy of the Licensed Premises, and by the Licensee, its agents, servants, employees and contractors. In case any action or proceeding is brought against any of the Indemnities by reason of any of the foregoing, the Licensee must reimburse the County the cost of defending such action or proceeding, or upon the County's written demand and at the Licensee's sole cost and expense, the Licensee must defend such action and proceeding by counsel approved by the County.

L. The Licensee must not strip, overload, damage, or deface the Licensed Premises or any part of the premises of which the Licensed Premises are a part, including, but not limited to, hallways, stairways, or elevators.

M. The Licensee must not permit any trade or occupation to be carried on or use made of the Licensed Premises outside the scope of this License and the MOU. Further the Licensee agrees to and must obey any and all federal, state, county and local laws and regulations relating to their operation of business on and in the Licensed Premises and premises of which the Licensed Premises are a part.

N. The Licensee must not move any furniture or equipment which is the property of the County into or out of the Licensed Premises without the County's prior written consent.

15. DESTRUCTION OF LICENSED PREMISES:

A. In the event of damage to or destruction of the Licensed Premises or any part of the Licensed Premises by fire, storm, flood or other casualty which does not require the Licensee to suspend entirely its business, the County shall, as soon as practicable after said damage or destruction, repair and restore the Licensed Premises to the condition they were in immediately prior to said damage or destruction. Should such damage or destruction of said premises or any substantial part of the Licensed Premises render the Licensed Premises wholly unavailable for use by the Licensee for the Permitted Use, the County shall promptly begin and diligently pursue the repairing, restoration and rebuilding of the Licensed Premises as nearly as possible to the condition they were in immediately prior to such damage or destruction or with such changes or alterations as the County may determine appropriate. In the alternative, the County may terminate this License within thirty (30) days following the date of the destruction of the Licensed Premises as described above by sending a termination notice to the Licensee.

B. In the event of damage to or destruction of fifty percent (50%) or more of the building of which the Licensed Premises are a part, the County may elect not to restore the said building and this License shall automatically terminate and the Parties shall be discharged from all responsibilities arising under this License.

16. DEFAULT: Licensee shall be considered in default of this License and the County may terminate this License upon the occurrence of any of the following:

i. Failure to perform under any term, covenant or condition of this License;

ii. The commencement of any action or proceeding for the dissolution or liquidation of Licensee, or for the appointment of a receiver or trustee of Licensee's property;

iii. The making of any assignment for the benefit of Licensee's creditors;

iv. The abandonment of the Licensed Premises by Licensee;

v. Any default or breach of the terms and conditions of the MOU which is not cured prior to the expiration of any applicable notice and cure period;

vi. Use of the Licensed Premises by the Licensee or with the consent of Licensee, for uses other than the Permitted Uses; and

vii. The intentional use of the Licensed Premises by Licensee or by Licensee's agents, employee, contractors, or guests, for any unlawful purpose.

17. ACCESS: Licensee shall allow County and County's employees or agents to have access to the Licensed Premises at all times for the purpose of inspection, or in the event of fire or other property damage, or for the purpose of performing any work required to be performed by County, or which County considers necessary or desirable, or for any other purpose pursuant to the reasonable protection of the Licensed Premises.

18. SURRENDER OF POSSESSION: Licensee covenants and agrees that, at the expiration or other termination of this License, to remove all goods and effects from the Licensed Premises not the property of County, and to yield up to County the Licensed Premises and all keys, locks and other fixtures connected therewith (except property belonging to Licensee), in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk with respect to which Licensee is not herein expressly made liable excepted. Subject to the terms of this License Agreement to the contrary, Licensee shall pay for all damages to the Licensed Premises, its fixtures, and appurtenances, as well as all damages sustained by Licensee or occupants of the Licensed Premises due to any waste, misuse, or neglect of

said Licensed Premises, its fixtures, and appurtenances, by said Licensee, its employees, or any other person or persons upon the Licensed Premises by Licensee's permission.

19. NOTICE OF ACCIDENTS, DEFECTS OR DAMAGES: Licensee shall give to the County prompt verbal notice of accidents in or damages to the Licensed Premises, and, within twenty-four (24) hours, the Licensee shall follow-up with a detailed written report of such accidents or damages.

20. COMPLIANCE WITH LAWS: It is understood, agreed and covenanted by and between the Parties that Licensee, at Licensee's expense, shall promptly comply with, observe and perform all of the requirements of all of the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal Government, State of Maryland, Montgomery County Government, or any municipality in which the Licensed Premises are located, Montgomery County Department of Environmental Protection or Montgomery County Fire Marshal's Office (the "Applicable Laws"). In no event shall Licensee be liable for any violations of Applicable Laws with respect to the Licensed Premises which are existing as of the Commencement Date. The County shall be required to ensure that the Building and the land upon which the Building is located are in compliance with all Applicable Laws.

21. WAIVER: The waiver of at any time by either of the Parties of any particular covenant, condition, obligation, or duty under this License shall extend to the particular case only, and for the particular time and in the particular manner specified, and such waiver must not be construed or understood as waiving any further or other rights of either Party.

22. NON-DISCRIMINATION: The Licensee agrees to comply with the non-discrimination in policies in County contracts as required by Section 11B-33 and Chapter 27 of the Montgomery County Code (2004), as amended, as well as all other federal, state and local laws and regulations regarding discrimination. By signing this License Agreement, the Licensee assures the County that in accordance with applicable law, it does not, and agrees that it will not engage in any discrimination in violation of the above sections of the Montgomery County Code as well as any other federal, state or local laws, rules and regulations.

23. PUBLIC EMPLOYMENT: The Licensee understands and agrees that unless authorized under Sections 11B-52 and Chapter 19A of the Montgomery County Code (2004), as amended, that it is unlawful for any person or entity transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

24. MAILING NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail and shall be deemed to be effective when received or refused by the addressee. Notices to the respective Parties shall be addressed as follows:

Licensee:

People Encouraging People, Inc
2002 Clipper Park Road
Suite 105
Baltimore, Maryland 21211
Attn: Dale Myer, President, CEO

County:

Montgomery County, Maryland
Department of General Services
Office of Real Estate
101 Monroe Street, 10th Floor
Rockville, Maryland 20850
Attn: Director of Real Estate

With a copy, that does not constitute Notice to:

Montgomery County, Maryland
Office of the County Attorney
101 Monroe Street, 3rd Floor
Rockville, Maryland 20850
Attn: County Attorney

25. RESIDENT AGENT: The Resident Agent for the Licensee is Dale Myers for People Encouraging People, Inc. and the address for receipt of notices and service of process is 2002 Clipper Park Road, Suite 105, Baltimore, Maryland 21211. Licensee must immediately notify County of any change in resident agent or address as provided herein.

26. PROHIBITION OF HAZARDOUS SUBSTANCES: The Licensee agrees not to store or bring hazardous substances onto the Licensed Premises. The Licensee indemnifies the County against any and all claims of any personal injuries or personal and real property damage as a result of any hazardous substance being brought on the Licensed Premises by the Licensee, its agents, contractors or employees or guests.

27. NON-APPROPRIATION: This License shall terminate automatically on July 1 of any year for which the County, for whatever reason does not appropriate funds to pay for the services specified in the MOU. The Licensee shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

28. AMERICAN DISABILITIES ACT REQUIREMENTS: County and Licensee agree that any future modifications made to the Licensed Premises shall be made in conformance with the requirements of the Americans with Disabilities Act, the Federal Fair Housing Act, and all safety and accessibility requirements in Federal, State, and County Laws and regulations. Licensee must obtain all required permits prior to making any modifications to the Licensed Premises and must comply with all applicable Building and Safety Codes.

29. EMINENT DOMAIN: The Licensee is not entitled to any condemnation award granted to the County as owner of the Licensed Premises. In the event that the Licensed Premises shall be taken by any governmental or quasi-governmental authority pursuant to its power of eminent domain or sold under threat of such taking, the Licensee will not be entitled to recover from the County any capital expenditures for improvements and betterments made by the Licensee to the Licensed Premises at the Licensee's expense.

30. FORCE MAJEURE: Neither Party will be deemed in default with respect to the performance of any terms, covenants, and conditions of this License if same shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, military or upsurged power, sabotage, inability to obtain any material or service, through natural or other cause beyond the control of either party; provided, however, that this provision shall not excuse any non-payment of License Fees. For purposes of this provision, lack of funds shall not be considered a cause beyond the control of a Party.

31. ENTIRE AGREEMENT: This License (which contains and includes the Exhibits) is the entire agreement between the Parties, and no representations, inducements, or agreement, oral or otherwise, between the Parties not contained in this License shall be of any force or effect.

32. MODIFICATION: This License (other than the Rules and Regulations, which may be changed from time to time) must not be modified in any manner except by an instrument in writing executed by both Parties with the same formality as this License.

33. GOVERNING LAW: This License and its performance is to be governed, interpreted, construed and regulated by the laws of Montgomery County and the State of Maryland.

34. CLAIMS: Any action brought by or on behalf of either Party in connection with the performance of this License must be filed and maintained in a court of competent jurisdiction in Montgomery County, Maryland.

35. PARKING: The Licensee is entitled to full use of the parking facilities which are a part of the Licensed Premises as of the date of execution of this License. Parking for the Licensee and any other occupants of the building, their staff, clients and guests will be confined to the surfaced parking areas in existence as of the date of execution of this License.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have caused this agreement to be properly executed.

WITNESS:

COUNTY:

MONTGOMERY COUNTY, MARYLAND

By: Alvin Richard

By: Diane A. Jones

Name: Diane Schwartz Jones

Title: Assistant Chief Administrative
Officer

WITNESS:

LICENSEE:

PEOPLE ENCOURAGING PEOPLE, INC.

By: K. C. Guosh

By: Dale Myers

Name: Dale Myers Meyer, Dm
Title: President and CEO

APPROVED AS TO FORM AND
LEGALITY
OFFICE OF THE
COUNTY ATTORNEY

RECOMMENDED BY:

By: Sileen P. Baseman

Associate County Attorney

By: Cynthia B.

Cynthia Brenneman, Director
Office of Real Estate

Date: 2/17/2009

Date: 2/13/09



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Isiah Leggett
County Executive

Uma S. Ahluwalia
Director

MEMORANDUM

November 6, 2008

TO: Timothy L. Firestine, Chief Administrative Officer

FROM: Uma S. Ahluwalia, Director *Uma*

SUBJECT: Decision Memorandum – People Encouraging People, Inc.

1. **Purpose:** The purpose of this memo is to request that a County waiver be granted to People Encouraging People, Inc., (PEP) authorizing use of office space, free of rent, at 1301 Piccard Drive, Rockville, Maryland, for a period not to exceed eighteen (18) months, beginning no later than January 1, 2009.
2. **Background:** The Department's approved FY09 Operating Budget includes a mid-year shift of the Assertive Community Treatment (ACT) Team to the Maryland State Department of Health and Mental Hygiene effective January 1, 2009. The ACT Team provides community-based mental health treatment for people with serious and persistent mental illness. There are approximately seven (7) ACT teams throughout the state including the County's team which is the only one that receives local funds. In order to achieve needed savings for FY09 the Department proposed and the Executive and Council approved a plan to return this function to the state. The State in turn agreed to fund an ACT team for Montgomery County and has designated PEP as the new service provider effective January 1, 2009.

Allowing the new ACT provider to temporarily utilize space at 1301 Piccard Drive until they are able to secure a permanent location in the County will make the transition of current Montgomery County consumers of ACT services much less disruptive. The County's ACT team currently operates from this location and serves sixty-four (64) people with serious and persistent mental illness. This is a very fragile population who have often experienced several psychiatric hospitalizations, are homeless, and/or involved in the criminal justice system. PEP, a non-profit provider, operates ACT teams that serve Anne Arundel and Prince George's Counties and Baltimore City. PEP is an excellent service provider, serving as the state's designated technical assistance advisor for ACT teams.

Office of the Director

401 Hungerford Drive • Rockville, Maryland 20850 • 240-777-1245 • 240-777-1295 TTY • 240-777-1494 FAX
www.montgomerycountymd.gov/hhs

EXHIBIT A-MEMO OF UNDERSTANDING

Timothy L. Firestine
November 6, 2008
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3. **Recommendation:** In accordance with Administrative Procedures 5-12, Section 3.6 (Attached), I am recommending that the County waive its policy not to provide a private organization with space free of rent, to assure service continuity and minimize the anxiety that typically accompanies change for this vulnerable population. Granting this waiver will ensure that Montgomery County residents receiving ACT team services will receive needed mental health treatment in a facility that is familiar to them and their families.

Should you have questions, please feel free to contact David T. Jones, Chief, Behavioral Health and Crisis Services at 240-777-1488.

Chief Administrative Officer Decision:

☒ Approved ☐ Disapproved ☐ Schedule Briefing ☐ See/Call Me
Do through a license agreement coordinated with
Office of Real Estate & the County Attorneys Office
David T. Jones For _____
Chief Administrative Officer Date 11/17/08

USA:kr

Attachment

c: Cynthia Brenneman
Corinne Stevens
David T. Jones

Oct. 13, 2008 3:03PM hhs is & facilities teams

No. 3882

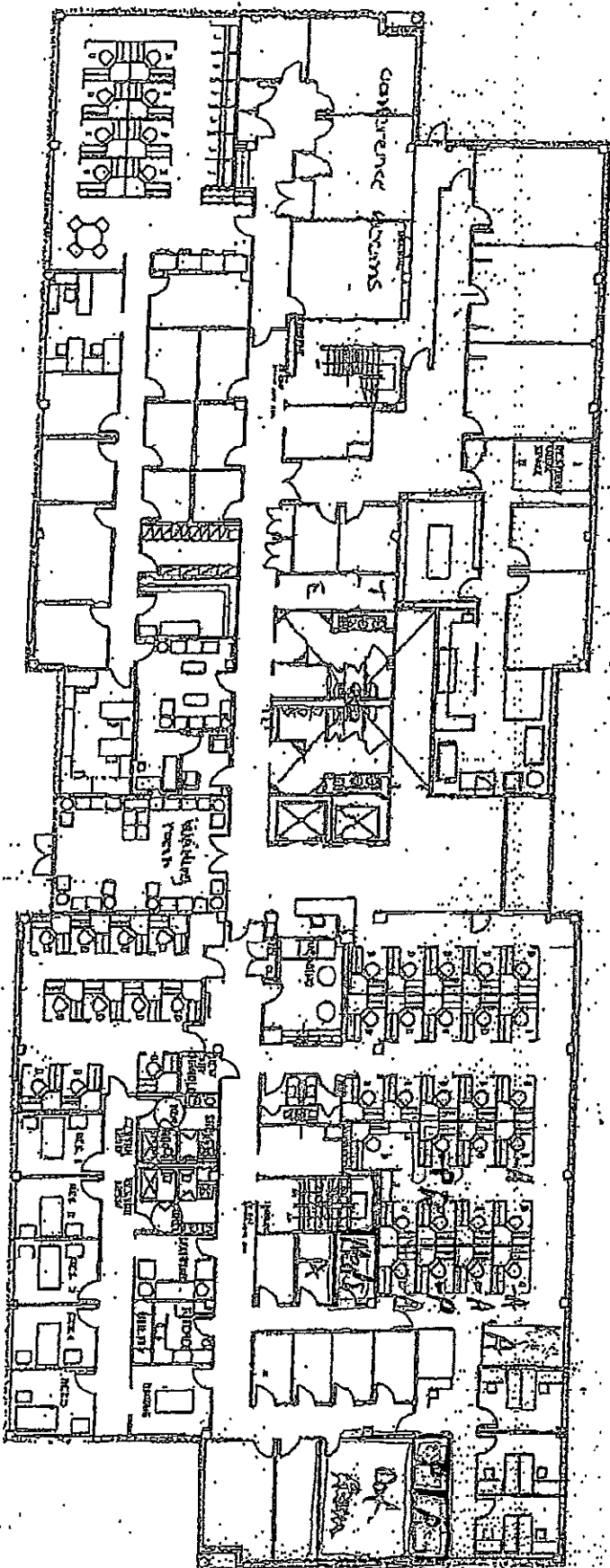
P. 2

U

PEP SPACE

Conference Room - Shared
Med Room - PEP
Cubicles

County - Provided Equipment
- Use of County-owned Telephones / Fax
- Use of County Copier Equipment
County - Provided
County - Provided
County - Provided



1st FLOOR SPACE PLAN

1301 PZ record DR.

Total Space

Conference Room - Shared
Med Room - PEP
P-PEP - 4
A-Act - 7